



## NEWS / LEGISLATION

**FINANCIAL INSTITUTIONS COMMITTEE  
State Legislative Subcommittee  
Pending Legislation of Potential Interest to the Committee  
July 10, 2001**

**[SENATE / ASSEMBLY](#)**

**[See also the new postings under [Resource Materials](#)]**

### **Senate Bills**

**SB 17 (Figueroa) Amended 3/27/01  
Statewide "Do Not Call" list**

Existing law prohibits certain unfair business practices, including certain advertising practices. This bill would require the Department of Consumer Affairs to maintain a "do not call" list, containing the telephone numbers of telephone subscribers who do not wish to receive unsolicited and unwanted telephone calls from telephone solicitors. It would prohibit, subject to certain exceptions, a telephonic solicitor from calling any telephone number on the then current "do not call" list to, among other things, seek to sell or lease any consumer goods or services. It would also prohibit persons who sell, lease, or rent telephone solicitation lists, except for directory assistance and telephone directories sold by telephone companies, from including in their lists telephone numbers that appear on the then current "do not call" list. Fees paid by telephone solicitors would be deposited in the Special Telephone Solicitors Fund created by the bill. Violations subject to a \$500 penalty for a first violation and a \$1,000 penalty for each subsequent violation. Attorneys fees recoverable. No exemption for existing business relationships.

LAST HIST. ACT. DATE: 05/25/2001 LAST HIST. ACTION : Set for hearing May 31.  
COMM. LOCATION : SEN BUSINESS AND PROFESSIONS

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0001-0050/sb\\_17\\_bill\\_20010327\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0001-0050/sb_17_bill_20010327_amended_sen.html)

**SB 32 (Escutia) Amended 6/29/01  
Contaminated Property/Brownfields Legislation**

Among other things, the bill would authorize a local agency to issue a notice to the owner or operator of a property requiring the owner or operator to provide the local agency with specified information regarding whether a hazardous materials release may be present on the property. If the local agency determines, based on that information, that the property may be affected by a hazardous materials release, the local agency would be authorized to make a finding that the property is, or may be, affected by the release. A local agency would be authorized to issue a notice requiring the owner or operator to conduct a phase I environmental assessment of the property, in response to the release and to protect human health and the environment, as specified, and if that assessment recommends a preliminary endangerment assessment be prepared, or if the oversight agency makes a specified finding, the local agency would be authorized to require the owner or operator to prepare a preliminary endangerment assessment. The bill would authorize a local agency or oversight agency to issue a notice to the owner or operator requiring a site investigation and remedial action, if the preliminary endangerment assessment contains a specified finding. The bill would prescribe

procedures for the conduct of a site investigation and remedial action by the owner or operator pursuant to a remediation plan approved by the oversight agency, and would authorize a local agency to initiate a site investigation and remedial action, pursuant to an approved remediation plan, if the governing body of the local agency, by resolution, makes one of specified findings. The bill would require a local agency proposing to carry out a remedial action to provide information to the public and to take specified actions to enable community participation. The bill would make the owner or operator of the property that is the subject of a site investigation or remedial action under the act liable for the costs incurred by the local agency pursuant to the act.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : From committee: Do pass, but first be re-referred to Com. on E.S. & T.M. (Ayes 7. Noes 2.) Re-referred to Com. on E.S. & T.M. COMM. LOCATION : ASM ENVIRONMENTAL SAFETY AND TOXIC MATERIALS HEARING DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0001-0050/sb\\_32\\_bill\\_20010629\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0001-0050/sb_32_bill_20010629_amended_asm.html)

### **SB 40 (Alarcon) Amended 7/05/01** **Unemployment insurance benefit increase**

Existing law provides that an individual is not eligible for and may not receive unemployment compensation benefits if the individual left work because of a trade dispute. This bill would exempt from this ineligibility provision an individual who leaves his or her work because of a trade dispute that is the result of a reduction in wages and benefits that would otherwise be deemed good cause for the individual leaving his or her most recent work. This bill would also provide that unemployment compensation benefits may not be denied to an otherwise eligible individual who is locked out by his or her employer after having made an unconditional offer to return to work.

Existing law specifies that a person is "unemployed" in any week during which he or she performs no services and with respect to which no wages are payable to him or her. This bill would require that payments received from an employer, that has failed to provide advance notice of facility closure required by the federal Worker Adjustment Renotification and Training Act, not be construed to be wages or compensation for personal services for purposes of determination of eligibility for unemployment compensation benefits.

Under existing law, unemployment compensation benefits are based on wages paid in a base period that is calculated according to the month within which the benefit year begins. This bill would, as specified, revise the calculations for these base periods, and would set forth the base period for any new claim filed on and after January 1, 2002, if an individual has not been paid sufficient wages to establish a benefit year. The bill would require the Department of Employment Development to request wage information with regard to these new claims, and would assess a penalty of \$250 on an employer who fails to provide this information within 10 days from the requested date.

Under existing law, the weekly unemployment compensation benefit for an individual whose highest wages in the quarter of his or her base period exceeded a specified amount is 39% of those wages divided by 13, but may not exceed \$230. This bill would, for new claims filed with an effective date after January 1, 2002, specify a weekly benefit for an individual whose highest wages in the quarter of his or her base period exceeded a specified amount of 50% of those wages divided by 13, and would also increase, in accordance with a certain schedule, the maximum weekly benefit to the greater of a specified dollar amount or an amount equal to a specified percentage of the state's average weekly wage for the prior fiscal year. Because this provision would increase the amount of unemployment compensation paid, it would increase the amount payable from the Unemployment Fund, a continuously appropriated special fund, and thereby would make an appropriation.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : To Com. on INS. COMM. LOCATION : ASM INSURANCE

**SB 68 (Battin) Amended 3/15/01**

**Local agency investments**

Under existing law, funds that belong to, or are in the custody of, a local agency may be invested in any of several specified investments. Existing law permits limited purchases of bankers acceptances that do not exceed 270 days maturity. If the board of supervisors of a county makes the investment, the maximum maturity period is 270 days. The purchase of prime quality commercial paper for those instruments is also permitted if the eligible commercial paper does not exceed 180 days maturity. This bill would revise the maximum maturity periods for those investments by a local agency to 180 days for bankers acceptances and 270 days for prime quality commercial paper.

LAST HIST. ACT. DATE: 06/25/2001 LAST HIST. ACTION : Set, first hearing. Hearing canceled at the request of author. COMM. LOCATION : ASM BANKING AND FINANCE

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0051-0100/sb\\_68\\_bill\\_20010315\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0051-0100/sb_68_bill_20010315_amended_sen.html)

**SB 73 (Dunn) Amended 6/19/01**

**Low income housing credits**

Increases maximum aggregate dollar amount of low-income tax credits that may be allocated in a calendar year from \$50,000,000 to \$70,000,000, and provides for adjustments based in increases to the CPI.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : Read third time. Passed. (Ayes 32. Noes 2.) To Assembly.

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0051-0100/sb\\_73\\_bill\\_20010619\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0051-0100/sb_73_bill_20010619_amended_sen.html)

**SB 91 (Figueroa) Introduced 1/16/01**

**Vehicles: dealers; prohibited activities**

This bill would prohibit any person from aiding or abetting a person in the performance of any act in violation of vehicle dealer, remanufacturer, manufacturer, transporter, distributor, or related branch licensing laws. The bill would provide that any person acting as a dealer, who is not duly licensed as a dealer pursuant to law, may not enforce any security interest or bring or maintain any action in law or equity to recover any money or property or obtain other relief from the purchaser or lessee of a vehicle in connection with a transaction in which the person is required to be licensed as a dealer. Requires all dealers to pay off balance owed on vehicles taken in trade within 30 days of the trade.

LAST HIST. ACT. DATE: 04/11/2001 LAST HIST. ACTION : Set, first hearing. Hearing canceled at the request of author. COMM. LOCATION : SEN TRANSPORTATION

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0051-0100/sb\\_91\\_bill\\_20010116\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0051-0100/sb_91_bill_20010116_introduced.html)

**SB 97 (Sher) Introduced 1/18/01**

**Electronic Signatures**

The existing Uniform Electronic Transactions Act governs the effect of transactions entered into electronically, and provides, among other things, that a record or signature may not be denied legal effect or enforceability solely because it is in electronic format. This bill would make various changes to the act.

LAST HIST. ACT. DATE: 05/08/2001 LAST HIST. ACTION : Set, first hearing. Hearing canceled at the request of author. COMM. LOCATION : SEN JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0051-0100/sb\\_97\\_bill\\_20010118\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0051-0100/sb_97_bill_20010118_introduced.html)

**SB 109 (Ackerman) Introduced 1/23/01**  
**B&P Code §17200 - class actions**

Attempt by Civil Justice Association of California to revise the procedural requirements for maintaining a class action suit. Under the Unfair Practices Act, unfair competition is defined to include an unlawful, unfair, or fraudulent business act or practice and unfair, deceptive, untrue, or misleading advertising, and any false representations to the public. Existing law provides that it is unlawful for any person, firm, corporation, or association to make untrue or misleading statements in connection with the sale of real or personal property or the performance of services, as specified. Existing law requires that any action to enforce any cause of action pursuant to the Unfair Practices Act be commenced within 4 years after the cause of action occurred. Existing law does not prohibit the bringing of further actions alleging the same wrongful conduct with respect to those provisions. This bill would prohibit a person from bringing a further representative action on behalf of others similarly situated against the same defendant alleging the same wrongful conduct if the previous representative action is either tried or settled with court approval. It would require the court before entry or modification of a judgment to consider the showing made by the parties and any other person permitted to appear and to order an entry of judgment only if the court determines that specified requirements have been satisfied.

LAST HIST. ACT. DATE: 05/17/2001 LAST HIST. ACTION : Hearing postponed by committee. COMM. LOCATION: SEN JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0101-0150/sb\\_109\\_bill\\_20010123\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0101-0150/sb_109_bill_20010123_introduced.html)

**SB 110 (Ackerman) Amended 6/18/01**  
**Small Claims Court**

Existing law prohibits, with certain exceptions, the filing or maintenance of a claim in small claims court by the assignee of the claim. This bill would authorize, as of a specified date, the filing or maintenance of a claim in small claims court of no less than \$825, as defined, by an assignee, provided the assignee reduces his or her claim by 10% and pays a special filing fee, to be distributed as specified. The bill would exclude from these provisions claims based on dishonored checks and other specified obligations. These claims would be limited to 5 claims per day, or a lesser number of claims, or no claims, as provided by Judicial Council rule or by local rule of court. The bill would provide for the transfer of a claim to a superior court, upon motion of the defendant, without the payment of an additional filing fee, or by the court, as specified, and would set forth the rights of the parties in those circumstances.

Existing law establishes different filing fees for claims in small claims courts depending on whether the claim is brought by the original claimant or by an assignee of the claim. Existing law provides that a prevailing party in a small claims action is entitled to the costs of the action. This bill would provide that an assignee of a claim who prevails in a small claims action may not recover the difference between their cost of filing the claim and the amount it would have cost the original claimant to file the action unless the defendant appears at the hearing on the matter. Existing law requires that service of a claim and order be made on the defendant at least 10 days before the hearing if the defendant resides in the county, and 15 days if the defendant resides outside the county. This bill would require that service of a claim and order, made under this section, be made at least 30 days before the hearing date. This bill would also provide that an action brought in small claims court by an individual acting in his or her individual capacity would have an automatic calendar preference over all other actions.

LAST HIST. ACT. DATE: 06/26/2001 LAST HIST. ACTION : Hearing postponed by committee. COMM. LOCATION: ASM JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0101-0150/sb\\_110\\_bill\\_20010618\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0101-0150/sb_110_bill_20010618_amended_asm.html)

**SB 125 (Alpert) Amended 6/12/01**

## Identify theft

This bill would entitle a person who discovers that an unauthorized person has applied for a loan, credit card, charge card, or utility service account or has opened an account with a bank, other financial institution, or utility company, in his or her name to receive, or designate a law enforcement officer to receive, a copy of the application or information related to that application, loan, credit card, charge card, or utility service account. Before receiving these copies, the bill would require the entity with which the application was filed or the account was established to inform the requesting person of the categories of identifying information that the unauthorized person used to complete the application and would require the requesting person to provide identifying information in those categories and a copy of the police report. Additionally, before the entity provides copies to a designated law enforcement officer, the entity would be permitted to require the requesting person to provide them with a signed and dated statement by which the person authorizes the disclosure, as specified. Existing law generally prescribes procedures for the disclosure of financial records in order to ensure customers' financial privacy. Existing law provides for specified exceptions to these requirements. This bill would include among those exceptions disclosure by a financial institution to a peace officer provided the financial institution has complied with the requirements of the above provisions.

LAST HIST. ACT. DATE: 06/26/2001 LAST HIST. ACTION : From committee: Do pass, but first be re-referred to Com. on PUB. S. with recommendation: To Consent Calendar. (Ayes 10. Noes 0.) Re-referred to Com. on PUB. S. COMM. LOCATION : ASM PUBLIC SAFETY

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0101-0150/sb\\_125\\_bill\\_20010612\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0101-0150/sb_125_bill_20010612_amended_asm.html)

## **SB 147 (Bowen) Introduced 1/30/01** **Employee computer records**

Prohibits employers from monitoring e-mail or other computer records generated by an employee without preparation and distribution to all employees the employer's workplace privacy and electronic monitoring policies and practices. Requires that every affected employee sign or electronically verify that s/he read, understood, and acknowledged receipt of the policies and practices.

LAST HIST. ACT. DATE: 06/11/2001 LAST HIST. ACTION : To Com. on L. & E.  
COMM. LOCATION : ASM LABOR AND EMPLOYMENT HEARING DATE : 07/11/2001

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0101-0150/sb\\_147\\_bill\\_20010130\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0101-0150/sb_147_bill_20010130_introduced.html)

## **SB 168 (Bowen) Amended 7/5/01** **Identity theft / SSN's**

Authorizes ID theft victims to place a "security alert" on their credit report to restrict the use of the credit file.

This bill would require, beginning July 1, 2002, credit bureaus to accept security alerts, as defined, by written request or via a toll-free telephone number, from consumers, and would allow a consumer to request a credit bureau to impose a security freeze on release of any information from his or her file. The bill would require a consumer credit reporting agency to place a security alert in a consumer credit report within 5 business days of receiving a request to do so and to notify persons using consumer credit reports of the existence of a security alert. The bill would require that the security alert remain in effect for at least 90 days and that a consumer may renew it. The bill would also require, beginning September 1, 2002, a consumer credit reporting agency to place a security freeze, as defined, on a consumer credit report within 5 business days of receiving a request to do so in writing by certified mail, and would prohibit the release of information from a consumer credit report while the freeze is in place, except as provided. Among other things, the bill would also require a consumer credit reporting agency to provide a consumer an identification number to be used for unfreezing a

consumer credit report or authorizing the subsequent release of information from a consumer credit report that is subject to a security freeze, and would provide that a security freeze shall remain in effect until a consumer makes a written request by certified mail to have the security freeze removed. The bill would provide that it does not prevent a consumer credit reporting agency from charging a reasonable fee to freeze or unfreeze access to a consumer credit report. The bill would further require, beginning January 1, 2003, that, if a security alert or security freeze is in place, a consumer credit reporting agency must provide a consumer with written confirmation within 30 days after making specified changes to information in a consumer's credit report. This bill would also exempt specified check services companies from the requirements of placing a security alert or a security freeze. The bill would additionally exempt from its requirements certain consumer credit reporting agencies that act only as resellers of consumer credit information and that do not maintain permanent consumer credit data bases from which new credit reports are produced, but would require these consumer credit reporting agencies to honor any security freeze placed on a credit report by any other consumer credit reporting agency. The bill would also revise the written summary of rights that a consumer credit reporting agency is required to provide to a consumer to include information about security alerts and security freezes and their consequences.

Existing law provides for the use of social security numbers as a means of identification in numerous applications. This bill would prohibit any person or entity, or state or local agency, as of July 1, 2002, from using an individual's social security number in certain ways, including posting it publicly or requiring it for access to products or services. This bill would provide an exception to the above-described provisions for a person or entity that meets specified conditions, but would provide that an individual may prohibit the use of his or her social security number in these circumstances by making a written request and that there may be no charge for implementing this request. This bill would also provide that its provisions do not prevent the collection, use, or retention of social security numbers as required by state or federal law, or the use of social security numbers for internal verification or administrative purposes. The bill would exempt from its requirements certain records required to be open to the public pursuant to specified state laws. The bill would also specify that the prohibition on the use of social security numbers shall become operative as to providers of health care, health care service plans, licensed health care professionals, or contractors, as defined, as of January 1, 2003, and that if the parties described above are in compliance with federal law that establishes a national unique patient identifier program, they shall be deemed in compliance with the requirements of this bill.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : From committee with author's amendments. Read second time. Amended. Re-referred to committee. COMM. LOCATION : ASM JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0151-0200/sb\\_168\\_bill\\_20010705\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0151-0200/sb_168_bill_20010705_amended_asm.html)

## **SB 169 (Bowen) Amended 7/5/01**

### **Personal Information; Facial Recognition Technology**

This bill would regulate the collection of biometric identifiers, as defined, through the use of facial recognition technology. This bill would define facial recognition technology as the use of a facial image in combination with a system to record and translate facial features, or the spatial relationships between facial features, into a unique numerical template that can be stored and is compared to other data or photographs and used to identify a person. This bill would restrict the collection of biometric information and an attempt to identify a person through the use of facial recognition technology by a person, business, or other private entity, as specified. This bill would require a person, business, or other private entity engaged in this activity to post a clear and conspicuous notice that biometric identifier information is being collected, to encrypt or otherwise secure the information collected from unauthorized access, to destroy collected information under specified circumstances, and to provide people whose biometric identifiers are collected with access to information associated with them upon provision of a specified request. This bill would prohibit a person, business, or other entity

collecting biometric identifier *information* as described above from selling or sharing this information for commercial purposes, except after receiving informed consent, as specified. This bill would prohibit biometric identifier information from being collected or used to unlawfully discriminate. The bill would provide that a knowing and willful violation of its provisions would be a misdemeanor, and would provide for civil penalties and remedies for willful and negligent violations, as specified.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : From committee with author's amendments. Read second time. Amended. Re-referred to committee. COMM. LOCATION : ASM JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0151-0200/sb\\_169\\_bill\\_20010705\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0151-0200/sb_169_bill_20010705_amended_asm.html)

**SB 222 (Torlakson) Amended 7/5/01**  
**Identity theft: regional pilot projects**

Enacts the Identity Theft Victim's Protection Act of 2001, creating a three-year pilot project to establish regional identity theft units to assist in the prosecution of identity theft and to educate the public on how to avoid becoming a victim.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : From committee with author's amendments. Read second time. Amended. Re-referred to committee. COMM. LOCATION : ASM APPROPRIATIONS

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0201-0250/sb\\_222\\_bill\\_20010705\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0201-0250/sb_222_bill_20010705_amended_asm.html)

**SB 270 (Speier) Amended 5/10/01**  
**Mortgages; Mortgage Insurance**

Existing law requires a lender or other person making or arranging a loan to make certain disclosures about the borrower's potential right to cancel private mortgage insurance or mortgage guaranty insurance on any loan for which private mortgage insurance or mortgage guaranty insurance is maintained. Existing law further requires specified disclosures to contain a clear and conspicuous written statement indicating that the borrower may be able to cancel this insurance. This bill, operative July 1, 2002, would additionally require the above disclosures to specify that cancellation may be based on various factors, including appreciation in property value based on a current appraisal.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : Joint Rule 61(a)(9) suspended. COMM. LOCATION : ASM BANKING AND FINANCE

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0251-0300/sb\\_270\\_bill\\_20010510\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0251-0300/sb_270_bill_20010510_amended_sen.html)

**SB 364 (Alpert) Amended 6/12/01**  
**Mortgages and Deeds of Trust; Accrual of Interest**

Existing law provides that interest on the principal obligation of a promissory note secured by a mortgage or deed of trust on real property improved by one to 4 residential dwelling units shall not commence to accrue prior to close of escrow if the loan proceeds are paid into escrow or, if there is no escrow, the date upon which the loan proceeds have been made available for withdrawal as a matter of right. This provision does not apply if the funds are paid or made available from a federally insured financial institution with an office in this state. This bill instead would provide that a borrower may not be required to pay interest on a principal obligation under a promissory note secured by a mortgage or deed of trust on real property improved with between one to 4 residential dwelling units for a period of more than one day prior to recording the mortgage or deed of trust, if the loan proceeds are paid into escrow or, if there is no escrow, the date upon which the loan proceeds have been made available for withdrawal. The bill would additionally provide that, except as specified, interest may begin accruing on the business day immediately preceding the day of recording, if the borrower requests and the lender agrees that the recording will occur on Monday or a

day immediately after a bank holiday, and if the lender makes specified disclosures. This bill would also delete the limitation for federally insured financial institutions within an office of this state thereby applying these provisions to those institutions.

LAST HIST. ACT. DATE: 07/02/2001 LAST HIST. ACTION : In Senate. To unfinished business. FILE : SEN UNFINISHED BUSINESS

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0351-0400/sb\\_364\\_bill\\_20010612\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0351-0400/sb_364_bill_20010612_amended_asm.html)

**SB 387 (Johnson) Introduced 2/21/01**  
**Consumer Credit; Consumer Credit Reports**

Existing law provides a consumer has the right to request and receive from a consumer credit reporting agency a decoded written version of the consumer's file, and requires a consumer credit reporting agency to make certain disclosures in this regard, upon contact by a consumer. This bill would provide that a consumer has the right to request and receive from a consumer credit reporting agency a decoded written version of the consumer's file written in easily understood language, and would require a consumer credit reporting agency to disclose this.

LAST HIST. ACT. DATE: 03/12/2001 LAST HIST. ACTION : To Com. on JUD. COMM. LOCATION : SEN JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0351-0400/sb\\_387\\_bill\\_20010221\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0351-0400/sb_387_bill_20010221_introduced.html)

**SB 401 (Soto) Amended 4/16/01**  
**Tax Credits: Second Mortgages**

This bill would authorize a homeownership tax credit, as specified, against those taxes for each taxable year beginning on or after January 1, 2002, for qualified lenders, as defined. The bill would also authorize the committee to allocate housing tax credits to lenders that make qualified 2nd mortgage loans to qualified low-income homebuyers.

LAST HIST. ACT. DATE: 04/25/2001 LAST HIST. ACTION : Set, first hearing. Testimony taken. Further hearing to be set. COMM. LOCATION : SEN REVENUE AND TAXATION

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0401-0450/sb\\_401\\_bill\\_20010416\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0401-0450/sb_401_bill_20010416_amended_sen.html)

**SB 407 (Sher) Amended 5/21/01**  
**County Recorders: Electronic Recording Pilot Program**

Existing law generally provides that the recorder of any county may, in lieu of a written paper, accept for recording a digitized image of a recordable instrument, subject to specified conditions. This bill would establish a pilot program in which participating county recorders may accept for recording, electronic records affecting the right, title, or interest in real property. The bill would require a participating county to obtain a report addressing the safety and security considerations of the proposed electronic recording system from a qualifying computer security firm or consultant, as specified. The bill would also require the Attorney General to adopt regulations establishing certain general standards for the pilot program and report to the Legislature, as specified.

LAST HIST. ACT. DATE: 05/23/2001 LAST HIST. ACTION : From committee: That the bill be retained in committee, and that the subject matter be referred to the Committee on Rules for assignment to the proper committee for study. COMM. LOCATION : SEN JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0401-0450/sb\\_407\\_bill\\_20010521\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0401-0450/sb_407_bill_20010521_amended_sen.html)

**SB 409 (Vincent) Amended 6/19/01**  
**Tax Credit for Qualified Deposits**



The Personal Income Tax Law and the Bank and Corporation Tax Law, and existing law with respect to the taxation of insurers, authorize, until January 1, 2002, an annual tax credit in an amount equal to 20% of a qualified deposit, as defined, made into a community development financial institution, as defined. This bill would extend the expiration date of the credit to January 1, 2007, would clarify the types of investments eligible for the credit, and would modify, as specified, limits on the amount of those eligible investments.

LAST HIST. ACT. DATE: 07/02/2001 LAST HIST. ACTION : Hearing postponed by committee. COMM. LOCATION : ASM REVENUE AND TAXATION HEARING DATE : 07/09/2001

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0401-0450/sb\\_409\\_bill\\_20010619\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0401-0450/sb_409_bill_20010619_amended_asm.html)

### **SB 415 (Dunn) Amended 5/7/01** **Disclosures of Tax Information**

Existing law prohibits disclosure of information obtained from a federal or state income tax return, except under specified circumstances. One of the exceptions is for disclosure of an individual's tax information necessary to administer or enforce a financial or business-related transaction requested by that individual. This bill would extend this exception to disclosure of an individual's tax information necessary to renew, extend, or amend a financial or business-related transaction requested by that individual. Under existing law, California franchise and income tax returns may be filed electronically. This bill would require the Franchise Tax Board to provide individuals, at no charge to the individual, electronic forms and Internet-based applications necessary to file any state income tax return electronically.

LAST HIST. ACT. DATE: 07/02/2001 LAST HIST. ACTION : Hearing postponed by committee. COMM. LOCATION : ASM REVENUE AND TAXATION

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0401-0450/sb\\_415\\_bill\\_20010507\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0401-0450/sb_415_bill_20010507_amended_sen.html)

### **SB533 (Margett) Amended 6/04/01** **Programs for the Elderly and Disabled: Home Improvement Loans**

This bill would establish within the Department of Housing and Community Development the Elderly and Disabled Persons' Revolving Home Improvement Loan Program. The program would provide grants to local public agencies and nonprofit corporations to provide no-interest home improvement loans to qualified low- and moderate-income elderly and disabled individuals to assist them with daily activities and prevent injury and to allow them to remain safely in their own homes.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : From committee: Do pass, but first be re-referred to Com. on H. & C.D. (Ayes 5. Noes 0.) Re-referred to Com. on H. & C.D. COMM. LOCATION : ASM HOUSING AND COMMUNITY DEVELOPMENT HEARING DATE : 07/11/2001

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0501-0550/sb\\_533\\_bill\\_20010604\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0501-0550/sb_533_bill_20010604_amended_sen.html)

### **SB 562 (Morrow) Chaptered 7/5/01** **Civil Procedure: Limited Civil Actions**

Existing law establishes the parameters for limited civil cases. Existing law provides that actions to enforce and foreclose liens of mechanics, materialmen, artisans, laborers, and all other persons having mechanics' liens, where the total amount of the liens is \$25,000 or less, constitute limited civil cases. This legislation includes petitions to release mechanics' liens where the total amount of a lien is \$25,000 or less, to the list of proceedings that constitute limited civil cases.

Existing law establishes the requisite conditions for an action or proceeding to be treated as a limited civil case. This legislation specifies that the existence of a statute

relating to the authority of the court in a limited civil case does not imply that the same authority does or does not apply in an unlimited case. This legislation also provides that the existence of a statute relating to the authority of the court in an unlimited case does not imply the existence of the same authority in a limited civil case.

Existing law delineates various circumstances in which a superior court may appoint a receiver in a pending action, but limits that authority to cases other than limited civil cases. This legislation deletes the limitation of the provision to cases other than limited civil cases.

Existing law provides that when an application to bring a claim against a public entity or public employee is denied by the governing body of that entity, a person may petition the court for an order relieving the petitioner from the prohibition against bringing a suit against the public entity. This legislation specifies that where an action to which the claim relates would be a limited civil case, the proceeding to petition a court pursuant to these provisions would also constitute a limited civil case.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : Chaptered by Secretary of State. Chapter 44, Statutes of 2001.

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0551-0600/sb\\_562\\_bill\\_20010705\\_chaptered.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0551-0600/sb_562_bill_20010705_chaptered.html)

### **SB 608 (Dunn) Amended 4/16/01** **Mortgages: Home Loan Protection**

The California Residential Mortgage Lending Act provides for the regulation and licensure of residential mortgage lenders and residential mortgage loan servicers by the Commissioner of Corporations. The act prohibits a licensee from engaging in certain acts regarding the disbursement of mortgage loan proceeds, the amount of closing fees charged, and other matters. The act provides that it is a violation of the act to violate any provision of the federal Real Estate Settlement Procedures Act. A willful violation of the act is a crime. This bill would enact the Home Loan Protection Act and would impose various requirements on lenders and home loans, including requiring a lender to use a specific formula to assess a potential borrower's ability to repay a home loan or a covered loan. "Covered loan" means: (1) a first lien mortgage loan, with an interest rate that is more than 3 percentage points above the rate set by the required net yield for a 90-day standard mandatory delivery commitment for a *first mortgage* or a reasonably comparable loan from either the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, whichever is greater, and as recorded and made available to the public on a regular basis by the Commissioner of Financial Institutions or (2) a second lien mortgage loan or other subordinate loan with an interest rate that is more than 5 percentage points above in paragraph (1).

The bill would require a person who violates the provisions of the act to pay civil damages, as specified. The bill would require the Attorney General to compile data on complaints against lenders, as specified. The bill would also provide that it is a violation of the California Residential Mortgage Lending Act to violate the federal Home Ownership and Equity Protection Act of 1994.

LAST HIST. ACT. DATE: 05/16/2001 LAST HIST. ACTION : Set, second hearing. Held in committee and under submission. COMM. LOCATION : SEN RULES

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0601-0650/sb\\_608\\_bill\\_20010418\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0601-0650/sb_608_bill_20010418_amended_sen.html)

### **SB 653 (Haynes) Introduced 2/23/01** **Estate and Generation Skipping Transfer Tax**

Existing California laws impose an estate tax equal to the portion, if any, of the maximum allowable amount of credit for state death taxes allowable under federal estate tax laws. Existing California laws also impose a tax upon every generation skipping transfer in an amount equal to the amount allowable as a credit for state generation skipping transfer taxes under specified federal tax laws. This bill would

repeal those California estate tax and generation skipping transfer tax laws, except as provided.

LAST HIST. ACT. DATE: 03/12/2001 LAST HIST. ACTION : To Com. on REV. & TAX.  
COMM. LOCATION : SEN REVENUE AND TAXATION

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0651-0700/sb\\_653\\_bill\\_20010223\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0651-0700/sb_653_bill_20010223_introduced.html)

**SB 651 (Dunn) Introduced 2/23/01**  
**Driver's License; Biometric Identifiers**

Under existing law, every application for an original or renewal of a driver's license or identification card is required to contain, among other things, a legible print of the thumb or finger of the applicant. This bill would require the Department of Motor Vehicles to create a biometric identifier, as defined, from an applicant's thumbprint or fingerprint and perform a process of authentication, as defined, in order to ensure that each individual is issued only one driver's license or identification card. The bill would prohibit the department from providing any information collected pursuant to these provisions to any 3rd party. The bill would impose various duties on the department with regards to adopting and implement procedures for restricting access to information collected pursuant to these provisions, maintaining records of requests for access, and posting notices regarding these procedures. The bill would authorize the department to produce information collected under these provisions pursuant to a court ordered subpoena or summons. The bill would authorize the department to transmit the information collected under these provisions to 3rd parties with whom the department has a bona fide business relationship in order to carry out the purposes of these provisions if certain specified conditions are met. The bill would impose various duties on the 3rd party to adopt procedures restricting access to biometric identifiers. Because a violation of this provision would constitute an infraction under existing provisions of law, this bill would impose a state-mandated local program by expanding the definition of a crime. The bill would impose various civil penalties on any person who negligently or willfully violates these provisions, and would authorize any person aggrieved by a violation of these provisions to seek civil remedies. The bill would require the Bureau of State Audits to monitor the use of biometric data to ensure compliance with these provisions and submit an evaluation and recommendations to the Judiciary Committees of the Legislature.

LAST HIST. ACT. DATE: 03/12/2001 LAST HIST. ACTION : To Coms. on TRANS. and RLS.

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0651-0700/sb\\_661\\_bill\\_20010223\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0651-0700/sb_661_bill_20010223_introduced.html)

**SB 666 (Peace) Introduced 2/23/01**  
**Privacy: Personal Information**

Existing law, the Information Practices Act of 1977, generally regulates the maintenance and dissemination of information by state agencies. This bill would make technical, nonsubstantive changes to these provisions.

LAST HIST. ACT. DATE: 03/12/2001 LAST HIST. ACTION : To Com. on RLS. COMM.  
LOCATION : SEN RULES

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0651-0700/sb\\_666\\_bill\\_20010223\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0651-0700/sb_666_bill_20010223_introduced.html)

**SB 668 (Poochiugan) Enrolled 7/2/01**  
**Estates and Trusts: Allocation of Debts**

Existing law provides a method for the allocation of debts between a decedent's estate and a surviving spouse. Existing law allows a personal representative of a decedent and a surviving spouse to provide for allocation by agreement and, if that agreement substantially protects the rights of interested parties, provides that a court shall order an allocation based on that agreement. In the absence of an agreement, debts of

decedents are apportioned on all of the property of the spouses liable for the debts at the date of death that are not exempt from enforcement of a money judgment, in a proportion determined by the value of the property less any liens and encumbrances at the date of death, adjusted for any right of reimbursement that would have been available if the property were applied to the debt at the date of death.

Existing law provides the same method of allocation of debts between the trust of a deceased settlor and a surviving spouse. This bill would revise the provisions described above relating to the allocation of debts in the absence of an agreement, initially requiring that a court characterize the debts as separate or community, and then setting forth a procedure for allocating the separate or community debts to assets similarly characterized, which would then be primarily liable for the debts. Among other things, this bill would also require that if the net value of either spouse's separate property assets are less than that spouse's unsecured separate property debts, the unsatisfied portion of the debts be allocated to that spouse's one-half share of the community property assets. If the net value of that spouse's one-half share of the community property is less than the spouse's unsatisfied and unsecured separate debt, the bill would require that the remaining unsatisfied portion of the debt be allocated to the net value of the other spouse's one-half share of the community property. This bill would define a nonrecourse debt as a debt for which the debtor's obligation to repay is limited to the collateral securing the debt and for which a deficiency judgment against the debtor is not permitted, and would limit the amount of a nonrecourse debt to the net equity in the collateral, as defined. This bill would permit a court to order a different allocation of debts if the court finds it to be equitable under the circumstances. The bill would also permit certain 3rd parties that incur specified damages or expense in connection with the allocation or misallocation of a debt under the provisions described above to recover them as the court that made the allocation deems reasonable.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : Enrolled. To Governor at 3 p.m.

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0651-0700/sb\\_668\\_bill\\_20010702\\_enrolled.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0651-0700/sb_668_bill_20010702_enrolled.html)

### **SB 669 (Poochigan) Chaptered 7/5/01** **Probate: Property Claims**

Existing law provides for the determination of claims brought to determine ownership of real or personal property claimed by an estate, a ward or conservatee, or a trustee, as specified. Among other provisions, if a court finds that a person has, in bad faith, wrongfully taken, concealed, or disposed of property in the estate of a ward or conservatee, in the estate of a decedent, or in or belonging to the trust, he or she is liable for twice the value of the property. A court may not grant a petition under these provisions if the court determines that the matter should be determined by a civil action. This legislation revises, recasts, and consolidates those provisions. The legislation specifies that an action brought pursuant to these provisions may include claims, causes of action, or matters that are normally raised in a civil action to the extent that the matters are related factually to the subject matter of the petition.

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0651-0700/sb\\_669\\_bill\\_20010705\\_chaptered.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0651-0700/sb_669_bill_20010705_chaptered.html)

### **SB 673 (Speier) Amended 6/26/01** **Unclaimed Property**

Existing law, the Unclaimed Property Law, requires every person holding funds or other property escheated to the state under that law to make a prescribed report to the Controller, which shall include, among other things, the name, if known, and last known address, if any, of each person appearing from the records of the holder to be the owner of the escheated property. Existing law also requires, within one year after payment or delivery of escheated property, the Controller to cause a notice to be published, as specified, in a newspaper of general circulation that the Controller determines is most likely to give notice to the apparent owner of the property. Existing law further requires

that if a report of an account paid or delivered to the Controller includes a social security number, the Controller is to request the Franchise Tax Board to provide a current address for the apparent owner of that property, to which the Controller is to mail a notice, if that address is different than the address previously reported to the Controller.

This bill would require that if an account is paid or delivered without a social security number, or if the Franchise Tax Board provides the same address already included in the report of an account paid and delivered, the Controller shall mail a notice regarding the escheated property, as specified, to the last known address of the apparent owner of the property. This bill would further require the Controller to establish and maintain a procedure to locate the owners of unclaimed property received under the Unclaimed Property Law. This bill would require a state or local governmental agency to furnish, upon the request of the Controller, certain records that reasonably could be used to locate an owner of unclaimed property, and if a fee is customarily charged for this information, the Controller would be required to pay it. By obligating local agencies to give any information they are currently not required to provide, this bill would create a state-mandated local program. The bill would also permit the Controller to conduct outreach activities to inform the public that unclaimed property is held by the state.

LAST HIST. ACT. DATE: 07/03/2001 LAST HIST. ACTION : Hearing postponed by committee. COMM. LOCATION : ASM JUDICIARY HEARING DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0651-0700/sb\\_673\\_bill\\_20010626\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0651-0700/sb_673_bill_20010626_amended_asm.html)

### **SB 731 (Oller) Amended 5/21/01** **Recording of Documents**

Existing law authorizes the county recorders in the Counties of San Bernardino and Orange to accept, in lieu of a written paper document, a digitized image of a recordable instrument if specified conditions are met. This bill would authorize until January 1, 2005, the county recorders of the Counties of Contra Costa and Placer to accept the electronic submission of an original recordable document if specified conditions are met. The county recorder would be required to adopt regulations governing the review and approval of systems and processes to conduct electronic submission of original recordable documents. The bill would authorize the district attorney or county recorder to suspend the use of any approved system upon a finding of fraudulent activity.

LAST HIST. ACT. DATE: 05/23/2001 LAST HIST. ACTION : From committee: That the bill be retained in committee, and that the subject matter be referred to the Committee on Rules for assignment to the proper committee for study. COMM. LOCATION : SEN JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0701-0750/sb\\_731\\_bill\\_20010521\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0701-0750/sb_731_bill_20010521_amended_sen.html)

### **SB 773 (Speier) Amended 6/29/01** **Financial privacy**

This bill would enact the Financial Information Privacy Act of 2002, which would require a financial institution to provide specified notice to, and to obtain the consent of, a customer before disclosing to or sharing confidential consumer information, as defined, with any nonaffiliated 3rd party, subject to certain exceptions. The bill would also require a financial institution to provide its customers with the opportunity to request that the financial institution refrain from sharing the confidential consumer information of the customer with an affiliate of the financial institution. This bill would also provide various civil remedies and administrative fines and civil penalties for negligent, or knowing and willful violations of these provisions.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : Joint Rule 61(a)(9) suspended. COMM. LOCATION : ASM BANKING AND FINANCE HEARING DATE : 07/16/2001

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0751-0800/sb\\_773\\_bill\\_20010629\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0751-0800/sb_773_bill_20010629_amended_asm.html)

**SB 947 (Machado) Introduced 2/23/01**  
**Savings Banks**

Existing provisions of the Savings Association Law regulate the activities and investments of savings associations. Among other things, an association is authorized to make, invest in, sell, purchase, participate in, or otherwise deal in secured or unsecured loans for agricultural, business, commercial, or corporate purposes, provided the total investments in those loans do not exceed 10% of the assets of the association. This bill would specify that the authorization is applicable to a savings bank.

LAST HIST. ACT. DATE: 03/15/2001 LAST HIST. ACTION : To Com. on B., C. & I. T.  
COMM. LOCATION : SEN BANKING, COMMERCE AND INTERNATIONAL TRADE

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0901-0950/sb\\_947\\_bill\\_20010223\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0901-0950/sb_947_bill_20010223_introduced.html)

**SB 948 (Machado) Introduced 2/23/01**  
**Bank Branches -- Fees**

Existing law requires a bank to obtain approval from the Commissioner of Financial Institutions to establish a branch office, and requires payment of specified fees. A branch office is subject to the payment of \$100 for each day that it is maintained without proper authorization. An application to move the location of an authorized branch requires payment of a \$250 fee to the commissioner. If an application to open a branch is not acted on within one year, extension of that authorization is subject to a fee of \$100. This bill would increase the fee to \$500 for extending the time to open an authorized branch, the per day required payment for maintaining a branch office without authorization, and the changing of the location of an authorized branch.

LAST HIST. ACT. DATE: 03/15/2001 LAST HIST. ACTION : To Com. on B., C. & I. T.  
COMM. LOCATION : SEN BANKING, COMMERCE AND INTERNATIONAL TRADE

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0901-0950/sb\\_948\\_bill\\_20010223\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0901-0950/sb_948_bill_20010223_introduced.html)

**SB 958 (Ackerman) Amended 6/19/01**  
**Mortgages: Deeds of Trust**

Existing law limits specified trustee's or attorney's fees in connection with certain procedures required upon default in payment of obligations under a mortgage or deed of trust to \$240 with respect to any portion of the unpaid principal sum secured that is \$50,000 or less, plus additional incremental allowable percentages of the principal sum over that amount. This bill would increase the specified maximum amount of that fee to \$300 plus additional incremental percentages of a principle sum of \$50,000 or less, or \$250 plus additional incremental percentages of a principle sum in excess of \$50,000. Existing law limits specified trustee's or attorney's fees in connection with the enforcement of certain terms of obligation upon default in payment under mortgage or deed of trust to \$350 with respect to any portion of the unpaid principal sum secured that is \$50,000 or less, plus additional incremental allowable percentages of the principal sum over that amount. This bill would increase the specified maximum amount of that fee to \$425 plus additional incremental percentages of a principle sum of \$150,000 or less, or \$360 plus additional incremental percentages of a principle sum in excess of \$150,000. Existing law limits specified trustee's or attorney's fees in connection with a sale of property, that may be deducted from the proceeds of the sale, to \$350. This bill would increase that fee limit to \$425. Existing law provides for the postponement of sales of property under the power of sale in a deed of trust or mortgage, as specified. This bill would revise the postponement of those sales that are subject to postponement pursuant to a stay imposed under federal bankruptcy law.

LAST HIST. ACT. DATE: 07/03/2001 LAST HIST. ACTION : Hearing postponed by committee. COMM. LOCATION : ASM JUDICIARY HEARING DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_0951-1000/sb\\_958\\_bill\\_20010619\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_0951-1000/sb_958_bill_20010619_amended_asm.html)

**SB 1017 (Perata) Amended 6/11/01**  
**Income Taxes: Estate or Trust**

The Personal Income Tax Law provides that the income of an estate or trust is taxable to the estate or trust, and the tax applies to the entire taxable income of a trust if the fiduciary or beneficiary, except as provided, is a resident, regardless of the residence of the settlor. That law provides that the residence of a corporate fiduciary of a trust means the place where the corporation transacts the major portion of its administration of the trust. This bill would provide that the tax shall not apply to any qualified portfolio capital gain, as defined, of an estate or trust if the fiduciary so elects, as provided. This bill would take effect immediately as a tax levy.

LAST HIST. ACT. DATE: 06/11/2001 LAST HIST. ACTION : From committee with author's amendments. Read second time. Amended. Re-referred to committee. COMM. LOCATION : SEN REVENUE AND TAXATION

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_1001-1050/sb\\_1017\\_bill\\_20010611\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_1001-1050/sb_1017_bill_20010611_amended_sen.html)

**SB 1050 (Torlakson) Amended 3/27/01**  
**Consumer Protection**

Existing law, the Song-Beverly Credit Card Act of 1971, generally regulates transactions involving the use of credit cards, as defined, and, among other matters, prohibits a business from recording on an electronically printed receipt, more than the last 5 digits of the credit card account number or the card's expiration date. Other provisions of existing law, the Consumer Affairs Act, authorize the Director of the Department of Consumer Affairs to perform various functions that promote and protect the interests of consumers. This bill would require the department by March 31, 2002, to recommend to the Legislature a system to ensure that businesses are complying with this above requirement pertaining to credit card transactions and a system to encourage or require retail businesses to check the identity of each person using a check or credit card to make a purchase, by requiring the person to produce identification that includes his or her photograph.

LAST HIST. ACT. DATE: 06/25/2001 LAST HIST. ACTION : To Com. on B. & P. COMM. LOCATION : ASM BUSINESS AND PROFESSIONS

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_1001-1050/sb\\_1050\\_bill\\_20010327\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_1001-1050/sb_1050_bill_20010327_amended_sen.html)

**SB 1083 (Bowen) Introduced 2/23/01**  
**Birth Certificates**

Existing law prescribes the information to be included on a certificate of live birth, including specified medical and social information that is required to be kept confidential. Existing law requires a State Registrar, local registrar or county recorder, upon request and payment of the required fee, to supply to any applicant a certified copy of the record of birth, except information that is designated confidential. This bill would state the intent of the Legislature to enact legislation that would limit the persons who are authorized to obtain certified copies of birth certificates. The bill would make technical, nonsubstantive changes to provisions related to certified copies of birth certificates.

LAST HIST. ACT. DATE: 03/15/2001 LAST HIST. ACTION : To Com. on RLS. COMM. LOCATION : SEN RULES

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_1051-1100/sb\\_1083\\_bill\\_20010223\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_1051-1100/sb_1083_bill_20010223_introduced.html)

**SB 1122 (Poochigian) Amended 5/17/01**  
**Real Estate: Disclosure of Transfer**

Existing law requires certain disclosures to be made upon the transfer of real estate and prescribes the manner and form of the disclosures. In the case of the transfer of real

property subject to a continuing lien securing the levy of special taxes pursuant to the Mello-Roos Community Facilities Act, the seller is required to make a good faith effort to notify the prospective purchaser of the lien in the manner and time provided in a prescribed disclosure form. Existing law, the Proposition 218 Omnibus Implementation Act, imposes prior notice, protest, and hearing requirements when a local government levies a new or increased assessment upon real property. This bill would require the legislative body of a local government levying an assessment to designate an office to perform certain duties relating to the assessment including furnishing to any requester or the owner of any property subject to the assessment a notice of assessment containing specified information in a prescribed form. The bill would require the seller to make a good faith effort to obtain and deliver to the prospective purchaser the notice of the assessment.

LAST HIST. ACT. DATE: 06/21/2001 LAST HIST. ACTION : To Com. on JUD. COMM.  
LOCATION : ASM JUDICIARY HEARING DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_1101-1150/sb\\_1122\\_bill\\_20010517\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_1101-1150/sb_1122_bill_20010517_amended_sen.html)

### **SB 1125 (Committee on Banking) Enrolled 7/2/01** **Industrial Banks**

Existing law, the Banking Law, permits an industrial bank to engage in all the activities of a commercial bank. Existing law prohibits an industrial bank from accepting demand deposits but authorizes an industrial bank to accept deposits evidenced by investment or thrift certificates. This bill would authorize an industrial bank to accept deposits evidenced by deposit accounts or certificates.

LAST HIST. ACT. DATE: 07/03/2001 LAST HIST. ACTION : In Senate. To enrollment.

[http://www.leginfo.ca.gov/pub/bill/sen/sb\\_1201-1250/sb\\_1225\\_bill\\_20010702\\_enrolled.html](http://www.leginfo.ca.gov/pub/bill/sen/sb_1201-1250/sb_1225_bill_20010702_enrolled.html)

## **Assembly Bills**

### **Ab 10 (Corbett) Chaptered 3/29/01** **Real Estate Investment Trusts**

The Bank and Corporation Tax Law provides for the taxation of real estate investment trusts in partial conformity to the Internal Revenue Code. This bill would, as provided, conform existing law with respect to payment of estimated tax for closely held real estate investment trusts, and income and services provided by real estate investment trust subsidiaries, to changes in federal income tax law. This bill would take effect immediately as a tax levy.

LAST HIST. ACT. DATE: 03/29/2001 LAST HIST. ACTION : Chaptered by Secretary of State - Chapter 4, Statutes of 2001.

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0001-0050/ab\\_10\\_bill\\_20010329\\_chaptered.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0001-0050/ab_10_bill_20010329_chaptered.html)

### **AB 21 (Leslie) Amended 6/7/01** **Financial privacy**

Existing law provides for the regulation of specified financial institutions by the Department of Financial Institutions. This bill would enact the Financial Privacy Act. The bill would require a financial institution, as defined, to make certain disclosures to a consumer before collecting or disclosing any nonpublic personal information, including the disclosure of information either provided by the consumer to the financial institution in connection with any transaction with the consumer or service performed for the consumer, or otherwise obtained by the financial institution. The bill would permit a consumer to notify a financial institution in writing not to disclose or share his or her nonpublic personal information with an affiliate of the financial institution or a nonaffiliated 3rd party. The bill would require the Department of Financial Institutions to



adopt regulations to implement the provisions of this bill for all financial institutions, and would provide penalties for violations of its provisions. The bill would provide an exception from the disclosure requirements for a financial institution that files an affidavit with the department certifying that it does not share nonpublic personal information with 3rd parties. The bill would become operative on March 1, 2002.

LAST HIST. ACT. DATE: 06/11/2001 LAST HIST. ACTION : Re-referred to Com. on JUD. COMM. LOCATION : ASM JUDICIARY HEARING DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0001-0050/ab\\_21\\_bill\\_20010607\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0001-0050/ab_21_bill_20010607_amended_asm.html)

## **AB 25 (Migden) Amended 5/31/01**

### **Domestic partnerships**

Existing law establishes a cause of action for negligence, including the negligent infliction of emotional distress and a cause of action for wrongful death. This bill would make these provisions applicable to a domestic partner as well as a surviving spouse. Existing law provides for the registration of domestic partnerships, as defined, and limits the legal effect of the registration of the domestic partnership to specified provisions of law. Existing law provides that persons of opposite sexes may not establish a domestic partnership unless they are both over the age of 62 and both persons meet specified eligibility criteria under the Social Security Act. This bill would expand the legal effect of the registration of a domestic partnership to any provision of law specifically referring to domestic partners. This bill would also expand the class of persons who may establish and register a domestic partnership by providing that persons of opposite sexes may establish a domestic partnership if one or both of them are over the age of 62 and one or both of them meet the specified eligibility criteria under the Social Security Act.

This bill would require a group health care service plan and a policy of disability insurance that provides hospital, medical, or surgical expense benefits to offer coverage to employers and guaranteed associations for a domestic partner of an employee, subscriber, insured, or policyholder to the same extent, and subject to the same terms and conditions, as provided to a dependent of an employee, subscriber, insured, or policyholder. The bill would also require that if an employer or guaranteed association has purchased coverage for domestic partners, a health care service plan or a policy of group disability insurance that provides hospital, medical, or surgical expense benefits for employees, subscribers, insureds, or policyholders and their dependents shall enroll as a dependent, upon application by the employer or group administrator, a domestic partner of the employee, subscriber, insured, or policyholder when that employee, subscriber, insured, or policyholder in accordance with the terms and conditions of the group contract, as specified. The bill would also provide that such a health care service plan or policy of group disability insurance may require a copy of a valid Declaration of Domestic Partnership and notification of termination of the domestic partnership. Since a willful violation of the provisions applicable to health care service plans is a crime, this bill would impose a state-mandated local program. Existing law requires any employer who provides sick leave to employees, as specified, to allow the employees to use the sick leave to attend to the illness of a sick child, parent, or spouse. This bill would require the employer described above to allow the employee to use sick leave to attend to an ill domestic partner or child of a domestic partner, and would make other conforming changes. Existing law provides for the establishment of conservatorships. This bill would revise these provisions regarding conservatorships to provide for the participation of a domestic partner of the conservatee or proposed conservatee in these proceedings. The bill would require preference for selection of a conservator be given to the domestic partner and a person nominated by the domestic partner. The bill would require that a petition for conservatorship set forth the names and addresses of the domestic partner of the proposed conservatee or the names and addresses of any children of a predeceased domestic partner. The bill would require notice of a conservatorship hearing to be sent to the domestic partner of the proposed conservatee and would authorize the domestic partner to appear at the hearing in support or opposition to the petition. This bill would also include a domestic partner within the definition of a family member for the purposes of requiring a domestic partner, when

acting as a conservator or a guardian, to reveal his or her relationship to a ward or conservatee when petitioning a court for approval of certain property transactions. This bill also would make conforming changes. Existing law prohibits a court official, employee, or a person related by blood or marriage, as defined, who is involved in the appointment of a conservator or guardian, or the processing of any document relating to a conservator or guardian, from purchasing, leasing, or renting the personal or real property from the estate of a conservatee or a ward whom the conservator or guardian represents. This bill would include a domestic partner within the definition of a person related by blood or marriage for the purposes of the provisions described above. Existing law prescribes a statutory will form. This bill would revise the statutory will form to, among other things, provide for the inclusion of a domestic partner among the beneficiaries to whom the testator may indicate a desire to leave his or her principal residence, automobiles, household, and personal effects, or residuary estate. Under the existing law of intestate succession, the surviving spouse is entitled to a specified share of the decedent's separate property that is not effectively disposed of by will. Existing law also provides that the surviving spouse is entitled to be appointed administrator of the decedent's estate and shall be given priority over other persons in relation to the decedent. This bill would extend these entitlements to a decedent's domestic partner. The Personal Income Tax Law provides, in specified conformity to federal law, an exclusion from gross income for certain amounts expended for medical care and for certain employer-provided coverage under an accident or health plan. That law also allows a deduction for certain health insurance costs of self-employed individuals and with respect to certain group health plans. This bill would make those tax benefits available to domestic partners. Existing law provides that an individual who leaves his or her work voluntarily or without good cause is disqualified from receiving unemployment benefits. Existing law further defines good cause for these purposes, and establishes procedures and presumptions for the administration of benefits. This bill would include in the definition of good cause the act of accompanying one's domestic partner to a place from which it is impractical to commute and to which a transfer by the employer is not available. This bill would also make related changes. Existing law provides that if a person is eligible to receive disability benefits, but is mentally unable to make a claim, the claim may be made by the spouse of the individual, and the payment shall be executed upon the affidavit of the spouse, or other qualified person, as specified. This bill would allow a domestic partner to make the claim and execute the affidavit in the capacity described above.

LAST HIST. ACT. DATE: 06/19/2001 LAST HIST. ACTION : Referred to Com. on JUD.  
COMM. LOCATION : SEN JUDICIARY HEARING DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0001-0050/ab\\_25\\_bill\\_20010531\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0001-0050/ab_25_bill_20010531_amended_asm.html)

### **AB 29 (Papan) Amended 3/20/01**

#### **Capital Access Loan Program**

Existing law establishes the Capital Access Loan Program and authorizes the California Pollution Control Financing Authority to contract with a financial institution to participate in the program. Existing law defines the term "financial institution" for purposes of the program as one that is domiciled or has its principal office in the State of California. This bill would limit that requirement to a lending institution that has executed a participation agreement with the Small Business Administration under a guaranteed loan program or a specified small business investment company. Existing law authorizes the California Pollution Control Financing Authority to finance various pollution control projects to control and eliminate pollution hazards to the environment. Existing law authorizes the authority to provide a loan to any city, county, school district, and redevelopment agency, financial institution, any for-profit or not-for-profit organization, or any participating party, to assist in financing the costs relating to the cleanup, remediation, or development of brownfield sites.

LAST HIST. ACT. DATE: 07/09/2001 LAST HIST. ACTION : From committee: Be placed on second reading file pursuant to Senate Rule 28.8. FILE : SEN SECOND READING

**AB 109 (Alquist) Amended 6/25/01**  
**Elder and Dependent Adult Abuse**

Existing law requires persons characterized as mandated reporters to report physical abuse, abandonment, isolation, financial abuse, or neglect of an elder or dependent adult, and provides that any mandated reporter who does not make the report is guilty of a misdemeanor. Existing law also authorizes certain persons to report abuse of an elder or dependent adult. This bill would require, until January 1, 2006, the State Department of Social Services to implement a pilot program in certain counties for training appropriate employees of banks, credit unions, and savings and loan associations in recognizing and reporting known or suspected instances of financial abuse of elders and dependent adults, and report on the program to the appropriate committees of the Legislature by January 1, 2005.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 4. Noes 2.). COMM. LOCATION : SEN APPROPRIATIONS

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0101-0150/ab\\_109\\_bill\\_20010625\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0101-0150/ab_109_bill_20010625_amended_sen.html)

**AB 120 (Havice) Introduced 1/22/01**  
**Discrimination: California National Guard and State Military Reserve personnel**

This bill would prohibit a person who provides lending or financing from discriminating against any person with respect to the terms of a loan or financing based on that person's membership in the military or naval forces of this state or of the United States.

LAST HIST. ACT. DATE: 06/26/2001 LAST HIST. ACTION : From committee: Do pass, and re-refer to Com. on JUD. with recommendation: To Consent Calendar. Re-referred. (Ayes 4. Noes 0.). COMM. LOCATION : SEN JUDICIARY HEARING DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0101-0150/ab\\_120\\_bill\\_20010122\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0101-0150/ab_120_bill_20010122_introduced.html)

**AB 172 (Reyes) Amended 5/14/01**  
**State Board of Equalization**

Existing law prohibits the State Board of Equalization from releasing the names and addresses of individuals who are registered with or are holding licenses or permits issued by, the State Board of Equalization except to the extent necessary to verify resale certificates or to administer the tax and fee provisions of the Revenue Code. Existing law also provides that this prohibition does not prohibit the release by the State Board of Equalization to, or limit the use by, any federal or state agency, or local government, of any data collected by the board that is otherwise authorized by law. This bill would provide that the State Board of Equalization is not prohibited from releasing specified names and addresses to a collection agency for the sole purpose of collection of a debt owed by individuals who are registered with or are holding licenses or permits issued by, the State Board of Equalization.

LAST HIST. ACT. DATE: 02/16/2001 LAST HIST. ACTION : Referred to Com. on JUD. COMM. LOCATION : ASM JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0151-0200/ab\\_172\\_bill\\_20010205\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0151-0200/ab_172_bill_20010205_introduced.html)

**AB 181 (Koretz) Amended 4/18/01**  
**Minimum wage**

Existing law known as the Living Wage Act of 1996, an initiative that was added by Proposition 210 approved by the voters at the November 5, 1996, statewide general election, required establishment of a minimum wage for all industries of not less than

\$5.75 per hour on and after March 1, 1998. This bill, which would be known as the Living Wage Act, would require the Industrial Welfare Commission to establish the hourly minimum wage at not less than \$7.25 effective January 1, 2003, \$7.75 effective January 1, 2004, \$8.25 effective January 1, 2005, and \$8.75 effective January 1, 2006. Thereafter, the bill would require the commission to adjust the minimum wage annually, as specified, to maintain employee purchasing power.

LAST HIST. ACT. DATE: 04/23/2001 LAST HIST. ACTION : Re-referred to Com. on L. & E. COMM. LOCATION : ASM LABOR AND EMPLOYMENT

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0151-0200/ab\\_181\\_bill\\_20010418\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0151-0200/ab_181_bill_20010418_amended_asm.html)

### **AB 203 (Jackson) Amended 5/9/01** **Financial Privacy**

Existing law prohibits a business entity that performs bookkeeping services from disclosing the contents of any record which is prepared or maintained by the business entity to any person, other than the individual which is the subject of the record, without the express written consent of the person. This bill would enact the Consumers' Financial Privacy Act. The bill would prohibit a financial institution, as specified, without a consumer's prior written consent, from disclosing or making an unrelated use of the personal information collected by the financial institution in connection with any transaction with the consumer involving any financial product or any financial service or otherwise obtained by the financial institution. The bill would provide a specified exception to these requirements for any person or entity licensed as an insurance agent, life agent, or life and disability insurance analyst, as specified, and any person or entity licensed to sell securities. The bill would require various disclosures by financial institutions to consumers. The bill would provide that an individual may bring an action against a financial institution, or affiliate, or nonaffiliated 3rd party that has negligently disclosed or used personal information in violation of this chapter.

LAST HIST. ACT. DATE: 05/30/2001 LAST HIST. ACTION : In committee: Set first hearing. Failed passage. Reconsideration granted. COMM. LOCATION : ASM BANKING AND FINANCE

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0201-0250/ab\\_203\\_bill\\_20010509\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0201-0250/ab_203_bill_20010509_amended_asm.html)

### **AB 228 (John Campbell) Introduced 2/13/01** **Internet Tax Freedom Act**

The California Internet Tax Freedom Act prohibits, with specified exceptions, the imposition, assessment, or attempt to collect (1) a tax on Internet access, Online Computer Services, or the use of the Internet or Online Computer Services, (2) a bit or bandwidth tax, or (3) any discriminatory tax on Online Computer Services or Internet access. The act provides that it is to become inoperative on January 1, 2002. This bill would extend those provisions until January 1, 2005.

LAST HIST. ACT. DATE: 02/16/2001 LAST HIST. ACTION : Referred to Com. on REV. & TAX. COMM. LOCATION : ASM REVENUE AND TAXATION

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0201-0250/ab\\_228\\_bill\\_20010213\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0201-0250/ab_228_bill_20010213_introduced.html)

### **AB 245 (Wyland) Amendd 5/1/01** **Identity theft**

Existing law provides that every person who willfully obtains personal identifying information about another person without that person's consent and uses that information for any unlawful purpose is guilty of a crime punishable by imprisonment in a county jail not to exceed one year, a fine not to exceed \$1,000, or both, or by imprisonment in the state prison, a fine not to exceed \$10,000, or both. This bill would require that a person who commits the aforementioned crime be punished by imprisonment in the state prison or by imprisonment in the state prison and a fine not to

exceed \$10,000. This bill would also eliminate the requirement that the person who uses another person's personal identifying information for an unlawful purpose obtain that information without the person's consent. This bill would therefore make it a crime to use another person's personal identifying information for an unlawful purpose, regardless of whether the information was obtained without the person's consent.

LAST HIST. ACT. DATE: 06/19/2001 LAST HIST. ACTION : In committee: Set, first hearing. Hearing canceled at the request of author. COMM. LOCATION : SEN PUBLIC SAFETY HEARING DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0201-0250/ab\\_245\\_bill\\_20010501\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0201-0250/ab_245_bill_20010501_amended_asm.html)

#### **AB 256 (Wayne) Introduced 2/14/01** **Consumer contracts**

Consumer contracts (primary for personal, family, or household purposes) that are created, generated, sent communicated, received, or stored by electronic means, require all of the following:

- a. Contract to be governed by California law.
- b. Contract deemed made at consumer's residence.
- c. Venue for any action arising from contract in county of consumer's residence at time contract was entered into or at time action is filed.
- d. Waiver of any of these provisions void and unenforceable and contrary to public policy.

LAST HIST. ACT. DATE: 05/07/2001 LAST HIST. ACTION : Referred to Com. on JUD. COMM. LOCATION : SEN JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0251-0300/ab\\_256\\_bill\\_20010214\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0251-0300/ab_256_bill_20010214_introduced.html)

#### **AB 273 (Nakano) Amended 5/9/01** **Personal Income Tax: Deductions**

The Personal Income Tax Law allows various deductions in computing the amount of income that is subject to the taxes imposed by that law. This bill would authorize , *until January 1, 2008*, a deduction under that law for the costs paid or incurred during the taxable year for specified mortgage insurance or related funding fees by a first-time homebuyer, as defined, for each year that he or she owns their principal residence located in California.

LAST HIST. ACT. DATE: 05/14/2001 LAST HIST. ACTION : In committee: Hearing postponed by committee. COMM. LOCATION : ASM REVENUE AND TAXATION

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0251-0300/ab\\_273\\_bill\\_20010509\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0251-0300/ab_273_bill_20010509_amended_asm.html)

#### **AB 371 (Koretz) Amended 4/17/01** **Consumer Credit Reporting Agencies**

Existing law governs the disclosure of consumer credit reports. A consumer credit reporting agency must make specified disclosures of information contained in a consumer credit report upon the request of a consumer and must provide a free disclosure if the consumer has been turned down for credit, employment, insurance, or a rented dwelling because of information in his or her credit report within the preceding 60 days . This bill would require a consumer credit reporting agency to notify a consumer when, within a 60-day period, the consumer credit reporting agency has received 3 credit inquiries or has received a report that would add negative information to the consumer's file and to provide a free copy of his or her file to such a consumer upon request. The bill additionally would require a consumer credit reporting agency to

provide one free copy of a consumer's file per year upon the request of the consumer, in addition to the disclosures without cost required under existing law and that would be required by the above described provisions of this bill.

LAST HIST. ACT. DATE: 04/30/2001 LAST HIST. ACTION : In committee: Set first hearing. Failed passage. Reconsideration granted. COMM. LOCATION : ASM  
BUSINESS AND PROFESSIONS

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0351-0400/ab\\_371\\_bill\\_20010417\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0351-0400/ab_371_bill_20010417_amended_asm.html)

### **AB 488 (Kehoe) Amended 6/26/01 Consumer Credit Reporting Agencies**

Existing law, operative July 1, 2001, governs the collection and disclosure of consumer credit reports. A consumer credit reporting agency must disclose the recipients of any consumer credit report regarding a consumer which the agency has furnished under specified circumstances. A consumer credit reporting agency must also make specified disclosures of, or provide notice regarding, information contained in a consumer credit report upon request of the consumer. This bill, operative January 1, 2003, would require a consumer credit reporting agency to disclose, upon request of the consumer, the addresses and, if provided by the sources and recipients of the consumer's credit information, telephone numbers identified for customer services for the sources and recipients. This bill would exempt any consumer credit reporting agency that procures a credit report from another credit reporting agency for the purpose of reselling the report from requirements that they provide to the consumer upon request the address and telephone number of the source and recipient of the consumer credit information, and a record of specified inquiries not initiated by the consumer. This bill would also exempt any consumer credit reporting agency that provides a consumer credit report to another consumer credit reporting agency that procures the consumer credit report for the purpose of resale from requirements that they provide to the consumer upon request the address and telephone number of the prospective user of the consumer credit information. Existing law also provides that any person who, for monetary fees, dues, or on a cooperative nonprofit basis, regularly engages in the practice of assembling, evaluating, or disseminating information on the checking account experiences of consumer customers is subject to the same laws that govern consumer credit reporting agencies. This bill, operative January 1, 2003, would exclude this person from the proposed requirements upon consumer credit reporting agencies to provide the address and, if available, the phone number of sources and recipients of consumer credit information to the consumer upon request.

LAST HIST. ACT. DATE: 07/09/2001 LAST HIST. ACTION : Read second time. To third reading. FILE : SEN SPECIAL CONSENT CALENDAR - NO. 20

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0451-0500/ab\\_488\\_bill\\_20010626\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0451-0500/ab_488_bill_20010626_amended_sen.html)

### **AB 489 (Migden) Amended 6/12/01 Predatory Lending**

Existing law provides that willful violations of provisions governing savings associations, real estate brokers, and residential mortgage lenders are crimes. This bill would prohibit real estate brokers and agents, commercial and industrial banks, savings associations, finance lenders, and residential mortgage lenders that make or service high-cost residential mortgage loans or consumer loans secured by liens on real property to consumers whose income is at or below 120 percent of the median income for the area from engaging in the following lending practices in the making of high-cost loans: making a subsequent loan to refinance the original loan that results in no net economic benefit, selling of additional products in the loan agreement, making of a loan without regard to the borrower's monthly income and obligations, and charging of fees for loan services that bear no reasonable relationship to the value of services actually performed . The bill would define a high-cost loan to mean a loan that has an annual percentage rate in excess of a specified rate or that has points and fees in excess of 5 percent of

the loan amount. Because willful violations of these provisions with respect to savings associations, real estate brokers, and residential mortgage lenders would be crimes, this bill would impose a state-mandated local program by creating new crimes. This bill would also impose various requirements with respect to residential mortgage loans and consumer loans secured by liens on real property made or serviced by specified lenders. A willful violation of these provisions would be a crime and would permit a court to rescind the loan contract and award fees and costs, as specified.

LAST HIST. ACT. DATE: 07/09/2001 LAST HIST. ACTION : From committee: Amend, do pass as amended, and re-refer to Com. on B., C. & I. T. (Ayes 4. Noes 1.).

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0451-0500/ab\\_489\\_bill\\_20010621\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0451-0500/ab_489_bill_20010621_amended_sen.html)

#### **AB 684 (Kehoe) Credit Unions - Trust Powers**

Existing law authorizes banks to act as trust companies, engage in trust business, charge interest, and perform other functions and offer services as provided in the Banking Law. Existing law authorizes eligible banks to deposit trust funds that are awaiting investment and gives eligible banks certain powers granted to trust companies. Existing law does not authorize credit unions to perform these activities. This bill would authorize credit unions to engage in the trust business if that activity is authorized in its bylaws.

LAST HIST. ACT. DATE: 03/08/2001 LAST HIST. ACTION : Referred to Com. on B. & F. COMM. LOCATION : ASM BANKING AND FINANCE

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0651-0700/ab\\_684\\_bill\\_20010222\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0651-0700/ab_684_bill_20010222_introduced.html)

#### **AB 521 (Koetz) Amended 6/21/01 Student Credit Cards**

Existing law, known as the Song-Beverly Credit Card Act of 1971, prohibits the issuance of a credit card, as defined, except in response to an oral or written request or application, or as a renewal of, or in substitution for, an accepted credit card. This bill would define a student credit card as a credit card that is provided to a student at a public or private college or university, and that is provided to that student solely based on his or her enrollment in a public or private university, or is provided to a student who would not otherwise qualify for that credit card on the basis of his or her income. The bill would provide that a student credit card does not include a credit card issued to a student who has a cocardholder or cosigner who would otherwise qualify for a credit card other than a student credit card. Existing law establishes the various segments of the higher education system in the state. These segments include the University of California, which is administered by the Regents of the University of California, the California State University, which is administered by the Trustees of the California State University, the California Community Colleges, which is administered by the Board of Governors of the California Community Colleges, and various private and independent colleges and universities. This bill would request the regents and the governing body of each accredited private or independent college or university in the state, and require the trustees and the board of governors, to adopt policies to regulate the marketing practices used on campuses by credit card companies.

LAST HIST. ACT. DATE: 07/09/2001 LAST HIST. ACTION : From committee: Amend, do pass as amended, and re-refer to Com. on RLS. (Ayes 5. Noes 2.).

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0501-0550/ab\\_521\\_bill\\_20010621\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0501-0550/ab_521_bill_20010621_amended_sen.html)

#### **AB 587 (Firebaugh) Amended 3/26/01 Civil Rights**

Existing law provides that all persons in this state shall have full and equal access to the facilities, privileges, and services of business establishments of all kinds without regard

to sex, race, color, religion, ancestry, national origin, disability, or medical condition. Existing law further prohibits a business establishment from, among other things, boycotting, blacklisting, refusing to contract with, sell to, or trade with a person based on the criteria described above. A person who contravenes these provisions is liable for actual damages and any additional amount determined by a jury or the court up to a maximum of 3 times the amount of actual damages but not less than \$1,000. This bill would increase the minimum additional amount that may be awarded in the cases described above to \$4,000. Existing law provides that if a person or persons, whether or not acting under color of law, interferes by threats, intimidation, or coercion, or attempts to interfere by threats, intimidation, or coercion, with the exercise or enjoyment by any individual or individuals of rights secured by the Constitution or laws of the United States, or of the rights secured by the Constitution or laws of this state, the Attorney General, any district attorney, or any city attorney may bring a civil action for injunctive and other appropriate equitable relief in the name of the people of the State of California, in order to protect the peaceable exercise or enjoyment of the right or rights secured. This bill would specify that in an action brought by the Attorney General, any district attorney, or any city attorney, the Attorney General, or any district attorney or city attorney, may seek a civil penalty of \$25,000. This bill would also specify that if this civil penalty is requested, it shall be assessed individually against each person who is determined to have violated the right or rights of any individual or individuals secured by law and the penalty shall be awarded to each individual whose right or rights are determined to have been violated.

LAST HIST. ACT. DATE: 07/09/2001 LAST HIST. ACTION : Read second time. To third reading. FILE : SEN THIRD READING FILE DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0551-0600/ab\\_587\\_bill\\_20010326\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0551-0600/ab_587_bill_20010326_amended_asm.html)

#### **AB 594 (Harman) Enrolled 7/5/01** **Electronic Payment of Taxes**

Existing property tax law specifies the date that a remittance to a taxing agency is deemed to be received if deposited in the United States mail or for shipment with an independent delivery service. This bill would specify the date that a remittance to a taxing agency is deemed to be received if made by an electronic payment option.

LAST HIST. ACT. DATE: 07/09/2001 LAST HIST. ACTION : In Assembly. To enrollment.

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0551-0600/ab\\_594\\_bill\\_20010705\\_enrolled.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0551-0600/ab_594_bill_20010705_enrolled.html)

#### **AB 601 (Leach) Introduced 2/22/01** **Business Contracts**

Existing law authorizes a person who sells the goodwill of a business, or a shareholder of a corporation disposing of all his or her shares, or a shareholder of a corporation that sells all or substantially all of its assets or those of a division or subdivision, together with its goodwill, to contract with the buyer to refrain from competing with the business so sold, under certain conditions. This bill would extend this authorization to any owner's sale or other disposition of the ownership interest or assets, together with the goodwill, of a business entity or a division or subsidiary thereof. The bill would define "business entity," "owner," and "ownership interest" for purposes of these provisions.

LAST HIST. ACT. DATE: 06/11/2001 LAST HIST. ACTION : In committee: Hearing postponed by committee. COMM. LOCATION : SEN JUDICIARY COMM. ACTION DATE : 06/12/2001 COMM. ACTION : Hearing postponed by Committee.

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0601-0650/ab\\_601\\_bill\\_20010222\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0601-0650/ab_601_bill_20010222_introduced.html)

#### **AB 609 (Kelley) Enrolled 7/5/01** **Local Agency Investments**



Existing law authorizes the legislative body of a local agency having money in a sinking fund of, or surplus money in, its treasury not required for the immediate needs of the local agency to invest any portion of the money that it deems wise or expedient in specified securities and financial instruments. One of the types of eligible securities is commercial paper of prime quality as described. Existing law establishes essentially parallel provisions concerning the investment of local agency funds that belong to, or are in the custody of, the local agency. One of the authorized investments is negotiable certificates of deposit issued by a state or federal credit union. This bill instead would authorize the investment of a local agency's money in a sinking fund or money, rather than surplus money, in its treasury not required for its immediate needs. The bill would revise the definition of commercial paper. The bill would revise these parallel provisions to incorporate references to the other provisions, consolidate duplicate provisions, delete obsolete provisions, and make conforming changes. This bill would prohibit the legislative body of a local agency and the treasurer or other official having custody of the money from investing in negotiable certificates of deposit of a state or federal credit union if a member of the legislative body or any other specified city officer or employee also serves on the board of directors or certain committees of that credit union.

LAST HIST. ACT. DATE: 07/09/2001 LAST HIST. ACTION : Enrolled and to the Governor at 2 p.m.

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0601-0650/ab\\_609\\_bill\\_20010705\\_enrolled.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0601-0650/ab_609_bill_20010705_enrolled.html)

### **AB 655 (Wright) Amended 6/20/01 Consumer Reporting Agencies**

Existing law requires consumer credit report agencies to allow a consumer to elect to have his or her name removed from any list provided by the consumer credit reporting agencies for firm offers of credit that are not initiated by the consumer, as specified. This bill would permit a consumer to specify, either verbally or in writing, that his or her name shall be removed from lists that a consumer credit reporting agency furnishes for credit card solicitations for a minimum of two years, and that consumer credit reporting agencies would be required to inform a consumer of this option, as specified. Existing law provides a process by which a consumer may dispute the accuracy of information in a consumer credit report. Existing law requires a consumer credit reporting agency to promptly and permanently block certain information when a consumer provides a valid copy of a police report indicating that another person has unlawfully used the consumer's personal identifying information. This bill additionally would require a consumer credit reporting agency to promptly and permanently block certain information when a consumer provides a valid copy of a Department of Motor Vehicles investigative report indicating that another person has unlawfully used the consumer's personal identifying information. The bill would set forth requirements regarding the unblocking of certain information by a consumer reporting agency after an allegation of identity theft by a consumer, and would permit a consumer reporting agency to disregard a consumer's version of disputed information, as specified. This bill would also require that a consumer credit reporting agency delete from a consumer credit report inquiries for credit reports that were initiated as the result of identity theft. Existing law places certain requirements on users of consumer credit reports, including the right of the consumer to prohibit the use of information in a consumer's files in connection with credit transactions not initiated by the consumer. This bill would require any person who uses a consumer credit report in connection with a credit transaction and who discovers that the address on the consumer credit report does not match the address of the consumer requesting or being offered credit to take reasonable steps to verify the accuracy of the consumer's address, as specified, and confirm that the credit transaction is not the result of defined identity theft. This bill would create similar requirements for any person who uses a consumer credit report in connection with a credit transaction and who receives specified notification from a consumer credit reporting agency that information in the report has been blocked as the result of an identity theft. This bill would provide that a consumer damaged by a failure to fulfill the above described requirements would have a claim against the person using the report, as specified. Existing law restricts the dissemination of certain types of personal

identifying information by specific professions and businesses. Existing law also provides, generally, that a consumer is not liable on debt incurred by a 3rd party, and limits a consumer's liability on the unauthorized use of a credit card, as defined. This bill would allow a person to bring a cause of action against a claimant to establish that the person is a victim of identity theft, as defined; or if the claimant has brought a cause of action to recover on its claim, the bill would allow the person to file a cross complaint to establish that the person is a victim of identity theft in connection with the claim. This bill would allow the victim to obtain a judgment that, among other things, declares the victim is not obligated on these claims, that declares void any security interests in the victim's property, that provides for an injunction restraining attempts to collect on these claims, that may include actual damages and equitable relief as the court deems appropriate, that may include a civil penalty up to \$30,000 and that awards reasonable attorney's fees and costs. This bill would allow the victim to join any person purporting to have a claim that the victim maintains arises from identity theft in the action regardless of whether those claims arise out of the same transaction or occurrence. The bill would also provide for continuing jurisdiction in these actions and the limitation on bringing actions or joining defendants with respect to the action. Existing law regulates the activities of investigative consumer reporting agencies, as specified. This bill would revise and recast various provisions governing the activities of investigative consumer reporting agencies. Among other things, it would expand the definition of "investigative consumer reporting agency," increase disclosure requirements, eliminate certain exemptions, increase penalties for violations, and would make related changes. The bill would prohibit creditors from selling a consumer debt to a debt collector, except as specified, if the consumer's file with a consumer credit reporting agency is blocked or the creditor has reason to believe the consumer is a victim of identity theft. The bill would also prohibit persons who gather specified information on a consumer in lieu of using the services of an investigative consumer reporting agency to provide that information to the consumer.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : In committee: Hearing postponed by committee. COMM. LOCATION : SEN JUDICIARY HEARING DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0651-0700/ab\\_655\\_bill\\_20010620\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0651-0700/ab_655_bill_20010620_amended_sen.html)

### **AB 684 (Kehoe) Amended 6/27/01**

#### **Credit Unions**

Existing law authorizes banks to act as trust companies, engage in trust business, charge interest, and perform other functions and offer services as provided in the Banking Law. Existing law authorizes eligible banks to deposit trust funds that are awaiting investment and gives eligible banks certain powers granted to trust companies. Existing law does not authorize credit unions to perform these activities. This bill would authorize qualifying credit unions to engage in the trust business provided the credit union conformed to all applicable laws, as specified, and that activity is authorized by the Commissioner of Financial Institutions and in the credit union's articles of incorporation. The bill would make related conforming changes. The bill would create a state-mandated local program by providing that it is a felony for a credit union officer to knowingly mingle trust fund assets with other credit union assets.

LAST HIST. ACT. DATE: 06/27/2001 LAST HIST. ACTION : From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on B., C. & I. T. COMM. LOCATION : SEN BANKING, COMMERCE AND INTERNATIONAL TRADE COMM. ACTION DATE : 07/05/2001

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0651-0700/ab\\_684\\_bill\\_20010627\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0651-0700/ab_684_bill_20010627_amended_sen.html)

### **AB 700 (Simitian) Introduced 2/22/01**

#### **Electronic Notarization**

Existing law provides that if a law requires that a signature be notarized, the

requirement is satisfied with respect to an electronic signature if an electronic record includes, in addition to the electronic signature to be notarized, the electronic signature of a notary public together with all other information required to be included in a notarization by other applicable law. Existing law also provides that in any written communication with a public entity in which a signature is required, any party to the communication may affix a digital signature if it meets certain requirements, including conformity to regulations adopted by the Secretary of State pursuant to that provision. This bill would provide that an electronic signature conforming to the regulations adopted by the Secretary of State shall be deemed to comply with the requirements of the provision governing notarized electronic signatures, under specified conditions.

LAST HIST. ACT. DATE: 06/25/2001 LAST HIST. ACTION : In committee: Set, first hearing. Hearing canceled at the request of author. COMM. LOCATION : SEN JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0651-0700/ab\\_700\\_bill\\_20010222\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0651-0700/ab_700_bill_20010222_introduced.html)

#### **AB 714 (Firebaugh) Amended 7/9/01 Money Transmitters**

Existing law provides for the regulation and licensure by the Commissioner of Financial Institutions of persons engaged in the business of transmitting money abroad. Existing law requires a licensee's window and exterior signs concerning rates of exchange, and interior signs and all advertising if rates are quoted, to clearly state, in the language principally used by the licensee and its agents, the rates of exchange for exchanging the currency of the United States for foreign currency. A violation of the provisions regulating money transmitters is a crime. This bill would instead require that those advertisements include the specific products associated with any fees quoted. The bill would require that at each office where a licensee or its agent receives money for transmission to a foreign country, rates of exchange and fees be posted for currencies of a country to which 20% of the licensee's total number of money transmissions were made during the previous calendar year. The bill would require the posting to be updated daily and would require a licensee to offer a uniform exchange rate in its California offices. The bill would also provide that it is a misdemeanor punishable by a specified penalty if the exchange rates and fees disclosed on the receipt that a licensee is required to provide a customer is different than the exchange rate required to be posted in its office.

LAST HIST. ACT. DATE: 07/09/2001 LAST HIST. ACTION : From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on B., C. & I. T. COMM. LOCATION : SEN BANKING, COMMERCE AND INTERNATIONAL TRADE COMM. ACTION DATE : 07/09/2001

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0701-0750/ab\\_714\\_bill\\_20010709\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0701-0750/ab_714_bill_20010709_amended_sen.html)

#### **AB 784 (Hertzberg) Introduced 2/22/01 Destruction of Personal Records**

Existing law requires a business to destroy or arrange for the destruction of specified records containing a customer's personal information, as defined. This bill would revise the definition of personal information under these provisions to include bank account balance information.

LAST HIST. ACT. DATE: 05/01/2001 LAST HIST. ACTION : Referred to Coms. on JUD. and RLS. COMM. LOCATION : SEN JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0751-0800/ab\\_784\\_bill\\_20010222\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0751-0800/ab_784_bill_20010222_introduced.html)

#### **AB 800 (Wesson) Amended 5/2/01 Employment: Languages**

Existing provisions of the California Fair Employment and Housing Act define and

prohibit various discriminatory employment practices. This bill would make it an unlawful employment practice for an employer to adopt or enforce a policy that prohibits the use of any language in the workplace unless the policy is justified by an overriding business necessity, as specified, and prescribed notice of the policy is given to employees. The bill would authorize any employee affected by a policy in violation of the bill to bring a civil action for equitable relief and would also require the court or the Fair Employment and Housing Commission, as the case may be, to award \$5,000 penal damages to any aggrieved employee wrongfully subjected to a policy in violation of the bill.

LAST HIST. ACT. DATE: 06/14/2001 LAST HIST. ACTION : Referred to Com. on JUD. COMM. LOCATION : SEN JUDICIARY HEARING DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0751-0800/ab\\_800\\_bill\\_20010502\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0751-0800/ab_800_bill_20010502_amended_asm.html)

**AB 839 (Lowenthal) Amended 4/5/01**  
**Advertising by Fax**

Existing law prohibits a person conducting business in this state from faxing or electronically mailing unsolicited advertising material, unless certain conditions are met. This bill would delete the existing prohibition relative to faxing unsolicited advertising material and would instead enact new provisions prohibiting a person from transmitting unsolicited advertising material to a facsimile machine located in this state, with specified exceptions. The bill would authorize a person or entity to recover specified damages for each violation through the bringing of an action in the appropriate court.

LAST HIST. ACT. DATE: 06/25/2001 LAST HIST. ACTION : In committee: Set, first hearing. Further hearing to be set. COMM. LOCATION : SEN BUSINESS AND PROFESSIONS

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0801-0850/ab\\_839\\_bill\\_20010405\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0801-0850/ab_839_bill_20010405_amended_asm.html)

**AB 865 (Hertzberg) Amended 6/28/01**  
**Credit Cards**

This bill, operative July 1, 2002, and applicable as specified, would require a credit card issuer to provide to the cardholder in each billing statement various statements regarding the length of time it will take, at various payment rates, to pay off the balance due on an open-end credit card account, as well as related information, and a certain table to be developed by the Department of Financial Institutions, as specified.

LAST HIST. ACT. DATE: 06/28/2001 LAST HIST. ACTION : From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on JUD. COMM. LOCATION : SEN JUDICIARY COMM. ACTION DATE : 07/03/2001 COMM. ACTION : Do pass as amended, and re-refer to the Committee on Appropriations.

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0851-0900/ab\\_865\\_bill\\_20010628\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0851-0900/ab_865_bill_20010628_amended_sen.html)

**AB 908 (Maddox) Amended 3/29/02**  
**Building Maintenance Contracts**

Nothing in existing law requires licensure of persons who contract to provide building maintenance service. This bill would prohibit any person from acting as a building maintenance service contractor, as defined, unless currently licensed by the Labor Commissioner. The bill would also prohibit any person from knowingly entering into an agreement for building maintenance services, as defined, with a contractor who is not licensed under the bill. The bill would specify criteria for licensure including a requirement for a specified \$50,000 bond and passage of an examination, as specified. Licenses under the bill would be required to be renewed annually. Under the bill, the initial license fee would be \$500 and the annual renewal fee would be \$350. The bill would make an appropriation by requiring that these fees to be deposited in a special account known as the Building Maintenance Worker Remedial Fund for use in defraying

administrative expenses under the bill and the balance to be available to satisfy certain claims against building maintenance service contractors. The bill would specify cause for revocation, suspension, or refusal to renew a license. The bill would require licensees to provide a copy of the license prior to entering a contract or agreement for building maintenance services. The bill would expressly require licensees to comply with local business license requirements and to keep specified records for 3 years. The bill would authorize the Labor Commissioner to assess and collect civil penalties of \$500 for an initial violation of the bill and \$1,000 for subsequent violations. The bill would require the Labor Commissioner to post a data base of contractors licensed under the bill on the Department of Industrial Relations Website. The bill would require the Labor Commissioner to provide licensees with a copy of its provisions and information, compilations, or summaries of employment laws most commonly applicable to the building maintenance service industry. The bill would authorize the Labor Commissioner to assess civil penalties of up to \$500 per violation against persons awarding contracts to unlicensed building maintenance services contractors, after the 3rd occasion of having done so. This bill would hold the successor to any building maintenance service contractor liable for wages owed to the predecessor's employees, under specified conditions. The bill would become operative on January 1, 2003.

LAST HIST. ACT. DATE: 04/25/2001 LAST HIST. ACTION : In committee: Hearing postponed by committee. COMM. LOCATION : ASM LABOR AND EMPLOYMENT

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_0901-0950/ab\\_908\\_bill\\_20010329\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_0901-0950/ab_908_bill_20010329_amended_asm.html)

### **AB 1090 (Hertzberg) Amended 5/16/01 Real Property**

Existing law provides that when an obligation secured by a deed of trust has been satisfied, the beneficiary, or its assignee, shall execute and deliver to the trustee the original note, deed of trust, request for a full reconveyance, and other documents as may be necessary to reconvey, or cause to be reconveyed, the deed of trust. Existing law provides that the trustee, beneficiary, or mortgagee may charge a reasonable fee to the trustor or mortgagor, or the owner of the land, as the case may be, for all services involved in the preparation, execution, and recordation of the full reconveyance. If the fee does not exceed \$65 it is conclusively presumed to be reasonable. Existing law also provides that the mortgagee or trustee may not record or cause the certificate of discharge or full reconveyance to be recorded under specified circumstances. A person who violates these provisions is liable to the person affected by the violation for all damages the person affected may sustain and forfeits to the person affected the sum of \$300. This bill would require the beneficiary or the assignee of the beneficiary to execute and deliver to the trustee the original note, deed of trust, request for full reconveyance, and other documents as may be necessary to reconvey, or cause to be reconveyed, the deed of trust within 39 calendar days after the obligation secured by any deed of trust has been satisfied. This bill also would change the amount of the fee for preparation, execution, and recordation of a full reconveyance to \$35 and would prohibit the fee from being charged unless demand for the fee was included in the payoff demand statement. The bill also would increase the sum forfeited by a person who violates these provisions from \$300 to \$500. This bill also would provide that no other fee or charge may be imposed on the trustor in connection with, or related to these provisions, except as specified. The bill also would delete the provision specifying the circumstances in which a mortgagee or trustee shall not record or cause the certificate of discharge or full reconveyance to be recorded. Existing law requires a mortgagee or beneficiary of a mortgage or deed of trust, or his or her designees, to prepare and deliver specified documents upon demand, including a beneficiary statement and a payoff demand statement. A beneficiary who provides those documents pursuant to this provision is authorized to impose a charge not to exceed \$60 for furnishing each required statement, except as specified. This bill would reduce that maximum fee to \$40.

LAST HIST. ACT. DATE: 05/31/2001 LAST HIST. ACTION : Referred to Com. on JUD.  
COMM. LOCATION : ASM PUBLIC SAFETY

**AB 1106 (Pescetti) Introduced 2/23/01**  
**Escrow Instruments**

Existing law sets forth the requirements governing escrow instruments generally. This bill would require that any escrow instrument purporting to obligate a third party in an amount over \$10,000 on behalf of a party to a real estate transaction, be notarized. Existing law sets forth the duties of notaries public of notarizing various types of instruments. This bill would require any notary public who reasonably suspects that undue influence is being exercised over an obligor with respect to a third-party obligation escrow instrument to promptly notify the district attorney for the county of residence of the obligor.

LAST HIST. ACT. DATE: 05/08/2001 LAST HIST. ACTION : In committee: Set, first hearing. Hearing canceled at the request of author. COMM. LOCATION : ASM  
BUSINESS AND PROFESSIONS

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_1101-1150/ab\\_1106\\_bill\\_20010223\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_1101-1150/ab_1106_bill_20010223_introduced.html)

**AB 1111 (Simitian) Amended 5/31/01**  
**Elder Financial Abuse**

Existing law provides for misdemeanor and felony sanctions, including imprisonment and fines, for offenses involving the abuse of an elder or dependent adult, depending upon the circumstances. Existing law provides for various procedures for the protection of individuals by the public guardian and by programs implemented by the State Department of Social Services. This bill would establish in the Office of Criminal Justice Planning (OCJP) a program of technical and financial assistance for counties in order to enable a county to form a financial abuse specialist team with a rapid response component that would respond within 24 to 48 hours to reports of financial abuse or exploitation against elders and dependent adults. The bill would provide procedures for counties to obtain assistance and establish a financial abuse specialist team.

LAST HIST. ACT. DATE: 06/25/2001 LAST HIST. ACTION : In committee: Set, first hearing. Hearing canceled at the request of author. COMM. LOCATION : SEN PUBLIC SAFETY COMM. ACTION DATE : 07/03/2001 COMM. ACTION : Do pass as amended, and re-refer to the Committee on Rules.

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_1101-1150/ab\\_1111\\_bill\\_20010531\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_1101-1150/ab_1111_bill_20010531_amended_asm.html)

**AB 1286 (Pacheco, Rod) Amended 7/9/01**  
**Conservator Bonds**

Existing law permits a court in a conservatorship proceeding to dispense with the requirement of filing a bond, or permits the filing of a bond in a smaller amount than would otherwise be required, when a conservatee with sufficient capacity has waived the filing of a bond. Existing law permits a court in a guardianship or conservatorship proceeding to order separate bonds or a single bond or a combination of the 2 if the proceeding involves more than one ward or conservatee. This bill would prohibit the court in a conservatorship proceeding from waiving the filing of a bond. This bill would require a court in a conservatorship proceeding to order a separate bond for each conservatee, except as specified. Existing law requires the guardian or conservator of an estate to submit to the court that has jurisdiction over the ward or conservatee a copy of account statements with specified information. This bill would revise and recast these provisions by requiring an institution, when a guardian or conservator pursuant to letters of guardianship or conservatorship of the estate takes possession or control of any asset of the ward or conservatee held by an institution, to file with the court a statement containing specified information. The bill would also require that certain personal information concerning the ward or conservatee be kept confidential. This bill would require guardians and conservators to file original account statements received

from institutions, as defined, including account statements of their wards or conservatees, as part of the periodic accounts filed by the guardians or conservators with the court.

LAST HIST. ACT. DATE: 07/09/2001 LAST HIST. ACTION : From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on JUD. COMM. LOCATION : SEN JUDICIARY COMM. ACTION DATE : 07/03/2001 COMM. ACTION : Hearing postponed by Committee.

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_1251-1300/ab\\_1286\\_bill\\_20010709\\_amended\\_sen.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_1251-1300/ab_1286_bill_20010709_amended_sen.html)

### **AB 1289 (Florez) Introduced 2/23/01**

#### **Personal Information**

Existing law prohibits a business entity that performs bookkeeping services from disclosing the contents of any record which is prepared or maintained by the business entity to any person, other than the individual which is the subject of the record, without the express written consent of the person. This bill would enact the Californian's Right to Privacy Act. The bill would prohibit a financial institution, as specified, without a consumer's prior written consent, from disclosing or making an unrelated use of the personal information collected by the financial institution in connection with any transaction with the consumer involving any financial product or any financial service or otherwise obtained by the financial institution. The bill would require various disclosures by financial institutions to consumers. Existing law provides for the use of social security numbers as a means of identification in numerous applications. This bill would prohibit, as of January 1, 2003, a business, private organization, or state or local agency, from using a person's social security number to identify the person as a new employee or new client and, as of January 1, 2005, would prohibit the use of a person's social security number to identify any employee or client.

LAST HIST. ACT. DATE: 03/08/2001 LAST HIST. ACTION : Referred to Coms. on JUD. and B. & F. COMM. LOCATION : ASM JUDICIARY

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_1251-1300/ab\\_1289\\_bill\\_20010223\\_introduced.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_1251-1300/ab_1289_bill_20010223_introduced.html)

### **AB 1506 (Negrete McLeod) Amended 5/16/01**

#### **Unclaimed Property**

Existing law prohibits an agreement to locate, deliver, recover, or assist in the recovery of reported property subject to escheat to the state that is entered into between the date that a specified report is filed with the Controller and the date of publication of a specified notice. Under existing law, an agreement to engage in these activities entered into after publication of the notice is valid if it meets specified requirements. This bill would, operative January 1, 2003, require the agreement to be between the owner of the property and a licensed private investigator, a licensed attorney, a registered or certified public accountant, or any person who, in the normal course of business, has a fiduciary duty, is licensed by the state, and whose license could be sanctioned, as specified. The bill would also permit a person working under the direct supervision of, or in association with, these parties to enter into these agreements, as specified, and would provide that this person is not required to have a preexisting relationship with the property owner. The bill would require the Controller to refer information regarding complaints or possible violations of this provision to the appropriate regulatory board or agency, as specified.

LAST HIST. ACT. DATE: 07/05/2001 LAST HIST. ACTION : In committee: Hearing postponed by committee. COMM. LOCATION : SEN JUDICIARY HEARING DATE : 07/10/2001

[http://www.leginfo.ca.gov/pub/bill/asm/ab\\_1501-1550/ab\\_1506\\_bill\\_20010516\\_amended\\_asm.html](http://www.leginfo.ca.gov/pub/bill/asm/ab_1501-1550/ab_1506_bill_20010516_amended_asm.html)  
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